GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1046
ANSWERED ON:01.03.2001
CAPITAL INVESTMENT IN PRODUCTION OF CRUDE OIL
NAWAL KISHORE RAI;RAMJI LAL SUMAN

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the institutes of the Government sector which are wholly entrusted with the responsibility of boosting crude oil production in the country are making capital investment abroad;

(b) if so, the reasons therefor; and

(c) the arrangements made by the Government to mobilise necessary capital for boosting indigenous production?

Answer

Minister of State in the Ministry of Petroleum & Natural Gas (Shri Santosh Kumar Gangwar)

(a): No, sir. The two national oil companies engaged in oil exploration and production, viz. Oil and Natural Gas Corporation Limited (ONGC) and Oil India Limited (OIL) have not made any capital investment abroad as on date.

However, ONGC- Videsh Ltd.(OVL), a fully owned subsidiary of ONGC, has a participating interest of 45% in the 06.1 Gas Project in Vietnam, with the other partner, viz. British Petroleum (UK), Statol (Norway) and Petrovietnam (Vietnam).OVL`s share of the Capex is around US$ 230 million. OVL has entered into an agreement with Rosneft, a national oil company of the Russian Federation in the Sakhalin-I project The total investment by OVL in the project would be of the order of US$ 1.7 billionBesides, OIL has taken 20% participating interest in a Block in Oman with TOTAL FINA (France) for exploration of oil and gas.

(b): Does not arise.

(c): Both ONGC and OIL have sufficient internal resources to meet their planned activities in oil exploration and production.